

MODIFIED COST PERFORMANCE REPORT

[CT, FPI – 09/04] [NFS 1852.242-76 – 03/99]

- (a) The Subcontractor shall use management procedures in the performance of this Subcontract that provide for:
 - (1) Planning and control of costs;
 - (2) Measurement of performance (value for completed tasks); and
 - (3) Generation of timely and reliable information for the Modified Cost Performance Report (M/CPR).
- (b) As a minimum, these procedures must provide for:
 - (1) Establishing the time-phase budgeted cost of work scheduled (including work authorization, budgeting, and scheduling), the budgeted cost for work performed, the actual cost of work performed, the budget at completion, the estimate at completion, and provisions for First-tier Subcontractor performance measurement and reporting;
 - (2) Applying all direct and indirect costs and provisions for use and control of management reserve and undistributed budget;
 - (3) Incorporating changes to the Subcontract budget base for both JPL directed changes and internal replanning;
 - (4) Establishing constraints to preclude subjective adjustment of data to ensure performance measurement remains realistic. The total allocated budget may exceed the Subcontract budget base only after consultation with the JPL Subcontract Manager. For cost-reimbursement Subcontracts, the Subcontract budget base shall exclude changes for cost growth increases, other than for authorized changes to the Subcontract scope; and
 - (5) Establishing the capability to accurately identify and explain significant cost and schedule variances, both on a cumulative basis and a projected-at-completion basis.
- (c) The Subcontractor may use a cost/schedule control system that has been recognized by JPL or the cognizant Administrative Contracting Officer (ACO) as:
 - (1) Complying with the earned value management system criteria provided in NASA Policy Directive 9501.3, Earned Value Management, or DoD 5000.2-R, Mandatory Procedures for Major Defense Acquisition Programs and Major Automated Information Systems Acquisition Programs; or
 - (2) Conforming to the full intentions of the guidelines presented in ANSI/EIA Standard 748, Industry Guidelines for Earned Value Management Systems.
- (d) JPL may require integrated baseline reviews. Such reviews shall be scheduled as early as practicable and should be conducted within 180 calendar days after Subcontract award, exercise of significant Subcontract options, or incorporation of major modifications. The objective of the integrated baseline review is for JPL and the Subcontractor to jointly assess areas, such as the Subcontractor's planning, to ensure complete coverage of the statement of work, logical scheduling of the work activities, adequate resourcing, and identification of inherent risks.
- (e) The Subcontractor shall provide access to all pertinent records, company procedures, and data requested by JPL to:
 - (1) Show proper implementation of the procedures generating the cost and schedule information being used to satisfy the M/CPR contractual data requirements to the Government; and
 - (2) Ensure continuing application of the accepted company procedures in satisfying the M/CPR data item.
- (f) The Subcontractor shall submit any substantive changes to the procedures and their impact to the JPL Subcontract Manager for review.
- (g) The Subcontractor shall require a First-tier Subcontractor to furnish M/CPR in each case where the First-tier Subcontract is other than firm-fixed-price, time-and-materials, or labor-hour; is 12 months or more in duration; and has critical or significant tasks related to the Subcontract. Critical or significant tasks shall be defined by

mutual agreement between JPL and the Subcontractor. Each First-tier Subcontractor's reported cost and schedule information shall be incorporated into the Subcontractor's M/CPR.